

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: December 16, 2005]²

Bill No. and sponsor: H.R. 2854 (Mrs. Sue Myrick of North Carolina).

Proponent name, location: Clariant Corp., Mount Holly, NC.

Other bills on product (109th Congress only): None.

Nature of bill: Extension of temporary duty suspension through December 31, 2008.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Methyl 4-hydroxybenzoate (CAS No. 99-76-3); propyl 4-hydroxybenzoate (CAS No. 94-13-3); ethyl 4-hydroxybenzoate (CAS No. 120-47-8); butyl 4-hydroxybenzoate (CAS No. 94-26-8); benzyl 4-hydroxybenzoate (CAS No. 94-18-8); methyl 4-hydroxybenzoate, sodium salt (CAS No. 5026-62-0); propyl 4-hydroxybenzoate, sodium salt (CAS No. 35285-69-9); ethyl 4-hydroxybenzoate, sodium salt (CAS No. 35285-68-8); and butyl 4-hydroxybenzoate, sodium salt (CAS No. 36457-20-2) (all the foregoing provided for in subheading 2918.29.65 or 2918.29.75)

Check one: ☒ Same as that in bill as introduced
 ☐ Different from that in bill as introduced (see Technical comments section)

Product information, including uses/applications and source(s) of imports:

The esters and sodium esters of parahydroxybenzoic acid described above are synthetic organic chemicals that are widely used as preservatives in cosmetics and personal care products. To a much lesser extent, they are also used as preservatives in pharmaceutical products, food, and other healthcare products. The proponent imports this product from United Kingdom.

Estimated effect on customs revenue:

Total Revenue Loss for this Bill					
	2005	2006	2007	2008	2009
Customs revenue loss	\$130,000	\$195,000	\$227,500	\$260,000	\$292,500

¹ Industry analyst preparing report: Eric Land (202-205-3349); Tariff Affairs contact: Dave Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

HTS subheading: <u>2918.29.65</u>					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$1,000,000	\$1,500,000	\$1,750,000	\$2,000,000	\$2,250,000
Customs revenue loss <u>1/</u>	\$65,000	\$97,500	\$113,750	\$130,000	\$146,250

1/ The estimated Customs revenue loss for 2005 and 2006 results from a duty suspension under HTS heading 9902.02.75 that expires on December 31, 2006.

Source of estimated dutiable import data: Industry estimates and Commission estimates.

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Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
		(Yes/No)		
Clariant Corp. (Proponent) Andrew Zamoyski Fax: 401-823-2700	10/11/2005	No	No	No
Abbott Laboratories Elaine Leavenworth Fax: 202-783-6631	10/11/2005	No	No	No
American Chemistry Council Jim O'Connor Fax: 703-741-6922	10/11/2005	No	No	No

Bayer Karen Niedermeyer Fax: 412-777-4740	10/11/2005	No	No	No
Bayer Julie Van Egmund Fax: 202-737-8909	10/11/2005	No	No	No
Biddle Sawyer Corporation William Thonack Fax: 212-239-1089	10/11/2005	No	No	No
Ciba Specialty Chemicals John Deming Fax: 302-479-5152	10/11/2005	No	No	No
E.I DuPont Helen C. McMahon Fax: 302-774-1398	10/11/2005	No	No	No
Eastman Chemical Co. Greg Riddle Fax: 703-524-7707	10/11/2005	No	No	No
Eastman Chemical Co. Jorge San Pedro Fax: 703-524-7707	10/11/2005	No	No	No
Honeywell International Art Simonetti Fax: 202-662-2675	10/11/2005	No	No	No
Monsanto Linda Strachan Fax: 202-789-1867	10/11/2005	No	No	No
Monsanto Michael Parrish Fax: 202-789-1867	10/11/2005	No	No	No
Noveon Tom Dirmyer Fax: 214-415-6001	10/11/2005	No	No	No
Rhodia Dominick Cangiana Fax: 609-860-1841	10/11/2005	No	No	No
Solutia Sue Cannon Fax: 314-674-1585	10/11/2005	No	No	No
Solutia Dan Jenkins Fax: 314-674-1585	10/11/2005	No	No	No
Uniroyal Lloyd Moon Fax: 203-573-4430	10/11/2005	No	No	No

Technical comments:³ None.

³ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

109TH CONGRESS
1ST SESSION

H. R. 2854

To extend the suspension of duty on esters and sodium esters of
parahydroxybenzoic acid.

IN THE HOUSE OF REPRESENTATIVES

JUNE 9, 2005

Mrs. MYRICK introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To extend the suspension of duty on esters and sodium
esters of parahydroxybenzoic acid.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. ESTERS AND SODIUM ESTERS OF**
4 **PARAHYDROXYBENZOIC ACID.**

5 (a) IN GENERAL.—Heading 9902.02.75 of the Har-
6 monized Tariff Schedule of the United States (relating to
7 esters and sodium esters of parahydroxybenzoic acid) is
8 amended by striking “12/31/2006” and inserting “12/31/
9 2008”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) applies to goods entered, or withdrawn from
3 warehouse for consumption, on or after the 15th day after
4 the date of the enactment of this Act.

